

**Milwaukee County Employees' Retirement System (ERS)
Audit Committee Meeting
MINUTES**

Call to Order

Chairperson Michael Harper called the Audit Committee meeting to order at 1:40 p.m. on Thursday, December 14, 2017 in the Commission Room (210) at the Milwaukee County Courthouse, 901 N. 9th Street, Milwaukee, WI 53233.

Board Members Present:

Laurie Braun
Linda Beford
Michael Harper
Dave Zepecki

Others Present:

Erika Bronikowski
Jim Carroll
Jessica Culotti
Tina Lausier
Abbey Moreno
Amy Pechacek
CJ Pahl

1. Topic: 10 Year Certain and Life Annuity

The fiscal note regarding the revised draft Rule change is required and has not been completed. It is expected to be completed in time for the December monthly Pension Board meeting. The Rule change has been referred to the full Pension Board at the December Pension Board meeting.

2. Topic: 415 Limit Determination Methods

A draft rule change regarding the calculation of IRS 415 Limits was submitted to Conduent to review. The proposed Rule was necessary because the ERS's current actuary, Conduent, has been using a slightly different 415 testing method than ERS's former actuary, Mercer. Conduent determined the proposed Rule is feasible, however, the Committee would like input from the recently hired actuary, Segal, before considering the Rule for adoption. If Segal agrees with Conduent's analysis and method of enforcing 415 limits, the Rule will then undergo a fiscal analysis before it will be considered by the Pension Board.

3. Topic: 2018 Meeting Schedule

A tentative meeting schedule for 2018 was distributed to the Committee. It was agreed that the schedule would be presented to the full Pension Board at the December meeting.

4. Topic: Travel Policy Update / Pre-Approved Conferences

Retirement Plan Services presented an updated Travel Policy for the Committee to review and provide input. The Committee requested that ILPA be brought to the December full Pension Board meeting for consideration as a pre-approved education provider. The Committee acknowledged that 2018 education from IFEBP was pre-approved at the September Pension Board meeting.

5. Topic: Clerk Memo on Staffing Meetings

Ms. Pechacek presented the memo from the Clerk of Court outlining the cost estimate provided by the Clerk to staff and record the Pension Board meetings. The Clerk would provide a video recording of all the proceedings which could then be transcribed if a question regarding what was said arose in the matter of litigation. The cost of Reinhart's minutes was discussed in comparison to the reduced cost supplied by the Clerk, noting that there would be an additional transcription fee should more detailed notes be required. Part of the condition of the Clerk staffing the meeting is that the meetings would need to be held in the Courthouse. The cost of renting the room at the PAC was also considered. The Committee took the item under consideration for further discussion at the full Pension Board meeting.

6. Topic: 2018 Contract Renewals

Retirement Plan Services reported on upcoming contract expiration dates for Joxel/Vitech and Marquette & Associates. These items will proceed to the full Pension Board for approval at the December Meeting.

The Committee voted unanimously to enter into closed session to discuss Agenda items 7 through 9. Returning to open session after discussion, the Committee took no action.

7. Topic: Part Time Final Average Salary

The Committee voted unanimously to enter into closed session to discuss Agenda item 7, Part Time Final Average Salary. Returning to open session after discussion, the Committee took no action.

8. Topic: ADR Offsets

The Committee voted unanimously to enter into closed session to discuss Agenda item 8, ADR Offsets. Returning to open session after discussion, the Committee took no action.

9. Topic: Benefit Calculation Errors & Corrections

The Committee voted unanimously to enter into closed session to discuss Agenda item 9, Benefit Calculation Errors & Corrections. Returning to open session after discussion, the Committee took no action.

The meeting adjourned at 3:15 p.m.